

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6351

BILL NUMBER: HB 1308

NOTE PREPARED: Dec 4, 2002

BILL AMENDED:

SUBJECT: Costs of Certified Mailing.

FIRST AUTHOR: Rep. Kruse

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires a party who generates certain court pleadings to pay the cost of certified mailing.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This bill would likely reduce costs for counties. Under current law and trial court rule, counties notify defendants of civil actions by either certified mail or by sheriff's deputies. The cost savings could be as much as \$5.8 M depending on the number of filings, respondents, and required mailings.

Background Information:

To make these estimates, four pieces of data were needed:

- The number of filings.
- The number of respondents to each filing.
- The average number of mailings per respondent that occur with each filing.
- The added cost of mailing.

Of these four factors, only the number of filings and the increase in postal rates are readily available. The number of respondents and the average number of mailings per respondent need to be estimated based on

conversations with clerks of the court across the state. The following shows the estimates that were made for the summary table.

The number of filings are reported in four major categories that are published annually in the Indiana Judicial Report. These include marriage dissolutions, all other civil filings, juvenile paternity cases, and small claims cases.

The number of parties responding to a filing will depend on the type of case. Staff in clerks of the circuit court offices in Marion and Steuben Counties indicate that there is generally one respondent in marriage dissolutions, juvenile paternities, and small claims cases. For all other civil cases, the number of respondents may be as few as one or as many as four.

The number of mailings per respondent will also vary by the type of case. (These numbers may change when more information becomes available.)

Notices can be sent to responding parties either by certified mail or by sheriff. Currently, it is estimated that about 66% of the notices are sent by certified mail.

Finally, it is assumed that the average weight of these notices is one ounce. The current rate is \$4.42 for a certified letter with a return receipt.

Estimating the Savings for Certified Mail in Civil, Small Claims, and Juvenile Paternity Cases										
Type of Case	Number of Filings in CY 2002		Number of Respondents in Case		Mailings per Responding Party		Percent Sent by Certified Mail		Cost of One Ounce Certified Letter	Total Costs
All Other Civil Filings	148,763	x	4	x	2	x	66%	x	\$4.42	= \$3,471,771
Dissolutions	40,682	x	1	x	1	x	66%	x	\$4.42	= \$118,678
Small Claims	230,030	x	1	x	3	x	66%	x	\$4.43	= \$2,016,774
Juvenile Paternity	16,147	x	1	x	2	x	66%	x	\$4.42	= \$94,208
Other Juvenile	47,795		1		1		66%		\$4.42	= \$139,428
Savings to Counties										<u>\$5,840,859</u>

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Clerks of the circuit court.

Information Sources: *2001 Indiana Judicial Report*, Staff in the Clerks of the Circuit Court Office in Marion and Steuben Counties.

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